

**"If our Company is to survive and prosper...
we must get our share of the youth market."
RJR Planning Memorandum (1973)
June 29, 1998**

Dear Colleague:

The House may take up tobacco legislation next week under a process that provides no opportunity for normal committee consideration. In fact, the legislation that we may be asked to vote on has not even been introduced yet.

Because this process is so unusual, I will circulate a series of "dear colleagues" that quote from previously secret industry documents. These documents have important policy implications that I hope you will consider. The excerpts quoted in today's letter address the industry's efforts to market cigarettes to children:

1973: "Realistically, if our Company is to survive and prosper, over the long term we must get our share of the youth market. ...Thus we need new brands designed to be particularly attractive to the young smoker."

(RJR Research Planning Memorandum)

1974: "[T]his young adult market, the 14-24 age group, ... represent[s] ... tomorrow's cigarette business. As this 14-24 age group matures, they will account for a key share of the total cigarette volume -- for at least the next 25 years. ...[O]ur strategy becomes clear for our established brands: 1. Direct advertising appeal to the younger smokers."

(Presentation by C.A. Tucker, RJR Vice President of Marketing, to the RJR Board of Directors)

1975: "To ensure increased and longer-term growth for CAMEL FILTER, the brand must increase its share among the 14-24 age group which have a new set of more liberal values and which represent tomorrow's cigarette business." (Memorandum to C.A. Tucker, RJR Vice President for Marketing)

1975: "Marlboro's phenomenal growth rate in the past has been attributable in large part to our high market penetration among younger smokers ... 15-19 year-olds. [M]y own data, which includes younger teenagers, shows even higher Marlboro market penetration among 15-17 year-olds. The teenage years are ... important because those are the years during which most speakers begin to smoke, the years in which initial brand selections are made, and the period in the life-cycle in which conformity to peer-group norms is greatest." (Memorandum to R.B. Seligman, Philip Morris Vice President for Research and Development)

1975: "Kool's effort against the 16-25 age group continues to be working. ... Kool Milds' effort against ... young smokers continues strong..."

(Report by Ted Bates Advertising to Brown & Williamson Tobacco Corp.)

1977: "Kool is heavily oriented toward the young ... [I]t will benefit us long-term to develop promotion events that involve the young and especially, to convince the starter group to smoke Kool."

(Kool Brand Promotion Plan of Brown & Williamson Tobacco Corp.)

1978: "The success of NEWPORT has been fantastic during the past few years. ... [T]he base of our business is the high school student. ... It is the 'In' brand to smoke if you want to be one of the group."

(Memorandum to Curtis Judge, President to Lorillard Tobacco Co.)

1979: "Marlboro dominates in the 17 and younger age category, capturing over 50% of this market." (Philip Morris Marketing Memorandum)

1981: "Today's teenager is tomorrow's potential regular customer. ... [T]he overwhelming majority of smokers first begin to smoke while still in their teens. ... [I]t is during the teenage years that the initial brand choice is made. ... The smoking patterns of teenagers are particularly important to Philip Morris: ... Because of our high share of the market among the youngest smokers, Philip Morris will suffer more than the other companies from the decline in the number of teenage smokers." (Memorandum to R.B. Seligman, Philip Morris Vice President for Research and Development)

1987: "Project LF is a wider circumference non-menthol cigarette targeted at younger adult male smoker (primarily 13-24 year old male Marlboro smokers)." (RJR Marketing Memorandum)

1990: "Target smokers are approaching adulthood. ... Their key interests include girls, cars, music, sports and dancing."

(Report by Total Marketing to RJR on Camel Brand Promotion Opportunities)

Sincerely,

HENRY A. WAXMAN
Member of Congress